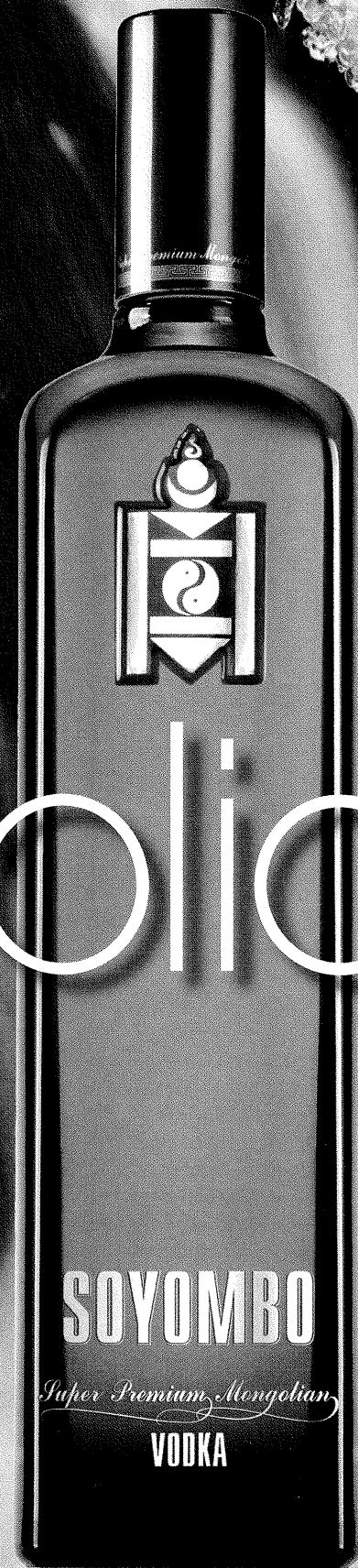


The Mystique OF Mongolian

SOYOMBO VODKA
EMERGES FROM
THE LEGENDS OF A
NOMADIC PEOPLE

by Timothy Moriarty

Soyombo Super Premium Mongolian Vodka is made using the pure spring water that flows from the sacred Bogd Khan Mountains, which were formed more than 800,000 years ago. It is crafted in small batches at the site of the last emperor's palace, the Bogd Khan's Winter Palace, located in Ulaanbaatar, the capital of Mongolia.



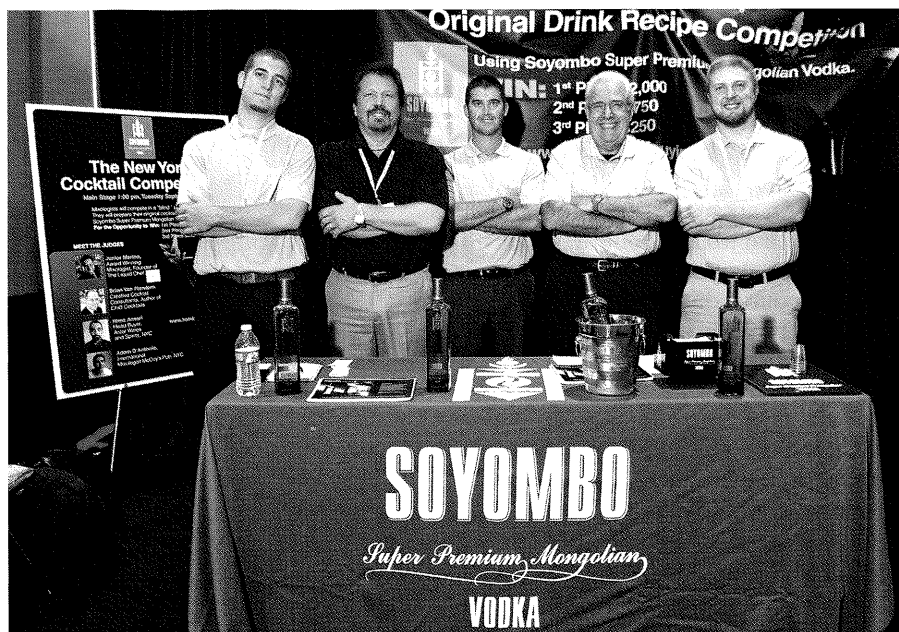


PHOTO: DOUG YOUNG

The Soyombo team at the 2013 Holiday Buying Show in New York City. Pictured from left to right: Nick McKelvey Jr., Marketing & Operations Manager; Bill Chiusano, New Jersey State Manager; Ryan Dougherty, Marketing Manager, On-Premise; Arthur Shapiro, Managing Director, Americas; and Cliff Oldfield, Marketing Manager, Off-Premise.

A Mongolian drinking ritual calls for the drinker to dip his ring finger into the vodka. He then flicks his finger behind, above and straight ahead—signifying past, present and future.

Make that two flicks forward to toast the introduction of Soyombo into the U.S. market. The future is promising for the new vodka from Mongolia, even considering the very crowded vodka category. It is a handcrafted vodka with mystique.

“Mongolia is a widely misunderstood country,” says Arthur Shapiro, Managing Director of the Americas for APU, Mongolia’s premier beverage company and the distiller of Soyombo.

“Many people in Mongolia speak and read three languages. It’s a sophisticated culture,” Shapiro points out. “The country was a satellite of the Soviet Union from 1924 to 1992. But it’s a culture that did not lose its own identity while at the same time embracing what the world around them had to offer.”

Soyombo displays a medium-creamy mouthfeel, with anise, citrus and grain notes, and a long, pepper-flecked finish. “It has a distinct smoothness and unique taste,” says Shapiro. “I am yet to encounter anyone who has tried the vodka and has not said that it is a fabulous-tasting product. The word *exquisite* keeps coming up.”

A Breakout Vodka

Shapiro details the factors that he believes makes Soyombo unique and potentially a breakout hit on the market. First, Soyombo is distilled from wheat grown in Mongolia’s Selenge Province, marked by extreme elevation, bitter cold and a short growing season. “The wheat is not particularly good for bread, nor is it good for pasta, but it is outstanding for vodka,” notes Shapiro. “It’s a little bit like the best Cognac, which comes from the grapes that are

the oldest and heartiest, that have struggled to survive.”

Second: water. “The water source is 800,000 years old; it goes down into the earth,” says Shapiro. Third and finally: distillation. Soyombo is distilled six times and filtered over five days. “We filter the product over precious minerals. Not just charcoal, but diamonds, silver and quartz. It takes the congeners out. It makes the product taste smoother. So we’re *really* talking handcrafted.”

The Mongolians inherited this craftsmanship and care from the Russians, who classify vodkas by purity. An Alpha spirit is the top of the heap—the raw spirit is as free as possible of congeners or ingredients that can make it difficult to drink. “This product exceeds the Russian standards,” says Shapiro.

Strategic Marketing

Soyombo began distribution in some U.S. markets in September and October: New Jersey, Upstate (not Metro)



It’s true what they say about Soyombo coming from “under the eternal blue skies,” as shown by this picture of Ulaanbaatar, the capital of Mongolia and home to Soyombo.

PHOTO: THE APU COMPANY

PHOTO: DOUG YOUNG



Arthur Shapiro, Managing Director of the Americas for APU.

New York, New Hampshire, Ohio, Western Canada and California from San Diego up to San Francisco.

"One of the things a lot of people do with new ventures is that they try to go into too many markets too soon," says Shapiro. "Our philosophy is to go into select markets and develop the brand before we go elsewhere. So we're happy with five or six markets. Come January, we'll start looking for others."

This strategy of taking the long view and being patient in building brands is at the heart of the global effort by APU. According to Jett Yang, Managing Director, Global Sales and Marketing for APU, "Soyombo and our other export vodkas took years to develop and we want to grow them globally with the same care and patience. APU's Chairman Batsaikhan Purev and the

executive management believe that the road to success is the willingness to invest for the long-term."

Shapiro is the former executive vice president of marketing and strategy for Seagram's spirits and wine. At Seagram's, says Shapiro, "I learned my lesson about new products and I learned that it's all about repeat business. It's not about getting distribution. Yes, of course distribution is important but you really want to develop roots for a brand rather than go all over the place and not make it."

Other key brand building efforts Shapiro and Yang are using involve a focus on the bar trade with an extensive repertoire of unique drink recipes, a full array of on- and off-premise merchandising and a first class team.

The Soyombo sales and marketing team is indeed formidable. In addition to Shapiro in the USA and Americas, the international team includes Jett Yang, managing director, global sales and marketing of the international business for APU. Formerly of IDV and Bacardi, Yang was the global marketing manager for Bombay Sapphire. Also actively consulting is James Espey OBE, the former president of United Distillers and IDV, and chairman of Chivas/Martell for Seagram's.

"America doesn't need another vodka. God knows we have more vodkas than we need," admits Shapiro. "But we think we've got two things going for us. One, Soyombo is unique. Unique by virtue of its longevity, its history, the company behind it and the country it comes from. But it also possesses that certain mystique.

"Our market, of course, is the 25- to 40-year-old vodka-drinking consumer,



PHOTO: DOUG YOUNG

THE SOURCE OF FORTUNE:

Discover Soyombo. Discover Mongolia.

The symbols, from the Mongolian script formulated in the 17th century, all have significance. For example, the two verticals represent fortress walls, from an old Mongolian adage that "friendship between two people is stronger than walls." The Flame has three branches that stand for the past, present and future and will flourish three times. The two horizontal rectangles represent honesty, justice and nobility. The round form symbolizes complementary duality and the eternal nature of the lifecycle. The sun and the moon represent the eternal Mongolian sky. The company has formulated cocktails based on each symbol, available on its website.

Soyombo is crafted in small batches and is made from the finest organic wheat from the Selenge Province on the Mongolian Steppes.

PHOTO: THE APU COMPANY

but we're looking for people who appreciate quality and provenance," Shapiro says. "People who probably drink a single malt scotch, better quality bourbon. These are not the people who are drinking the tutti-frutti flavored vodkas. This," he says of

Soyombo, "is a genuine vodka."

Finally, Soyombo is just the beginning according to Jett Yang. "We'll be importing an ultra-premium vodka called Chinggis Khan later this year and a premium entry, Arkhi, in 2014." Shapiro adds that the APU Company

makes an outstanding line of craft beers and he hopes that one of these leading products will also be introduced next year.

Looks like we're about to experience the mystique of Mongolia. ■■
www.mongolianvodkas.com/soyombo

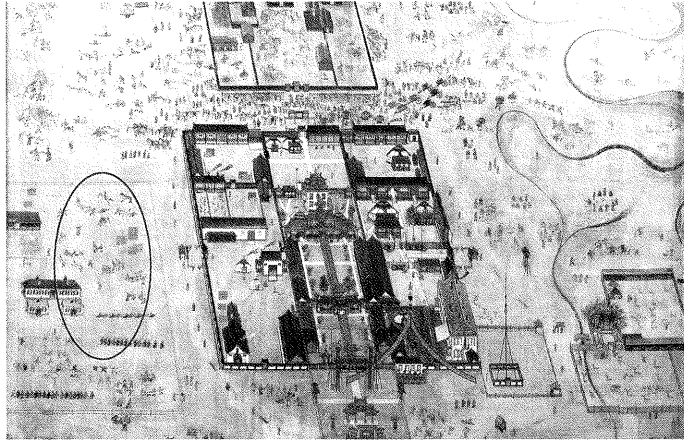


PHOTO: THE APU COMPANY

This ancient Mongolian painting (left) shows the Bogd Khan's Winter Palace surrounded by a wall. Today (right), you can see the APU Company compound (tall white building) where Soyombo is distilled, just to the left of the palace wall in the capital of Ulaanbaatar.

FOCUS ON THE CHAIRMAN: Batsaikhan Purev, Moving Mongolia into the 21st Century



PHOTO: THE APU COMPANY

Batsaikhan Purev is a man of the world but even more so, he is a man of Mongolia. As the Chairman of The APU Joint Stock Company, the largest beverage producer in Mongolia, his focused leadership and strong belief in supporting the creation of Soyombo as a spirit of and for the Mongolian people has been unsurpassed. And now, Batsaikhan wants to share Soyombo globally.

Since 1924, APU has been the First National Company of Mongolia. Created as a state-controlled company, Mongolia's number-one beverage producer is now in private ownership and developing into one of the most technologically advanced producers of bottled water, soft drinks, beer and spirits in Mongolia and possibly the wider world under Batsaikhan's leadership.

"Our devotion to the highest qualities creates this unique offering of the best of Mongolian natural resources and nomadic luxury to seal bonds of unspoken trust in an ever-changing world.

Our company respects the natural minerals and ingredients offered up by nature, and using the most advanced technologies available, are now creating a new range of products to reflect the true purity and spirituality of our great land.

Our spiritual concept of each person being individually connected with the sky brings forth a unique understanding of the relationship between man and the environment that has been lost to many cultures in the world today.

From this unique perspective our present day Mongolian culture is growing. The essence of our future is supported, and at the same time eclipsed, by the ancient customs and traditions of our nomadic culture. A new and unique spirit of luxury is developing in our country, a landscape with immense natural resource. Together we are embracing the present with a cultural devotion to the creation of goods of the highest possible quality."